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ATTORNEY FOR Clear Management, Ltd.

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN MARIANA ISLANDS
BANKRUPTCY DIVISION**

In re IMPERIAL PACIFIC : CASE NO. BK-24-00002
INTERNATIONAL, (CNMI), LLC, : (Chapter 11)

Debtor and Debtor in Possession. :

MEMORANDUM

On October 23, 2023, in Case No. I:19-cv-0008, Clear Management, Ltd. (hereinafter, “Clear”) was appointed as Limited Receiver “for the purpose of . . . selling IPI’s personal property. [Footnote omitted.] Document No. 275, p. 2.

On January 12, 2024, in Case No. 1:21-CV-0035, Clear was appointed as Limited Receiver “for the purpose of . . . selling IPI’s vehicles and heavy equipment.”, Document No. 49, p. 2.

The sale of the first eleven of IPI’s vehicles was held on April 11, 2024. Clear advertised the auction on social media and in the local printed press in Guam as well as distributing flyers across Saipan. The auction was also well-reported in the local and international press. Clear received inquiries by email from potential bidders as far away as California and the Philippines. By the date of the auction, Clear had registered 188 bidders, of which 128 provided either business

certificates or drivers licenses to authenticate their bidding status. Clear utilized Nextlot auction software, a sophisticated US-based auction software which Clear believed would increase bidding values and present the professional approach required for the auction.

Online bidding opened two weeks before the final auction date. Bids were received on all eleven vehicles on a daily basis, concluding on the final day at 12:00 noon Saipan time. At that point, Clear switched from online bidding to a "live" auction, wherein Clear Partner Danny Ewing became the auctioneer and was live on screen. Mr. Ewing conducted an auction for each of the vehicles in turn, concluding each by declaring the winning bid.

The eleven vehicles were sold for a total of \$375,500,00. Clear believes that the procedure utilized for the auction resulted in bids representing the fair market value of the vehicles sold. An itemization of the results of the sale, identifying the vehicles sold, the purchasers, and the sale price for each vehicle, is attached hereto as "Exhibit A" and incorporated herein by this reference. The proceeds of sale have been paid in, and are now in the undersigned's Escrow Trust Account.

On April 19, 2024, IPI filed a Petition under the Bankruptcy Code in this case. The filing of the Petition operated as an automatic stay of further proceedings with respect to the sales of the vehicles.

On August 12, 2024, the Court entered an Order in this case, Document No. 189, granting relief from the automatic stay, for the purpose of allowing the April 11 sale to be completed. The Order provided:

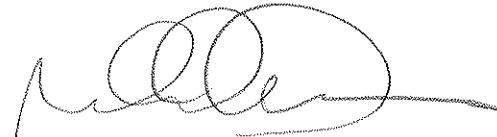
Clear shall be permitted to take all necessary steps to conclude the sale of the Auctioned Vehicles . .

Clear shall hold the proceeds from the Auctioned Vehicles in its attorney's escrow account, until the Court adjudicates Clear's request for costs and expenses. No funds shall be dispersed to Clear or any other party without a further order from this Court.

No disbursement of the proceeds of sale has been made. Clear anticipates making a motion for disbursement in the near future.

Clear requests the Court to specifically approve the sale of each of the eleven vehicles, and authorize Clear to execute bills of sale to the purchasers and deliver keys and title documents.

DATED, this 31st day of August, 2024:



MICHAEL A. WHITE, ESQ.
Attorney for Clear Management, Ltd.

EXHIBIT A

Lot No.	Vehicle	Winning Bidder	Bid Amount	Invoice
1	2017 Rolls Royce Ghost Extended (2,969 miles)	Yuren Huang	\$ 162,000.00	8
2	2017 Rolls Royce Ghost Extended (5,823 miles)	Magas Property Mgt	\$ 86,000.00	2
3	2017 Cadillac Escalade (41,886 miles)	Magas Property Mgt	\$ 35,500.00	2
6	2016 Toyota Sienna (51,028 miles)	Sung Hyun Bang	\$ 18,000.00	6
7	2015 Lexus RX 450h Hybrid (49,808 miles)	Magas Property Mgt	\$ 20,250.00	2
10	2015 Nissan Frontier (74,237 miles)	Mike Holl	\$ 8,250.00	4
11	2016 Mazda CX-5 (76,812 miles)	Ranilo Manzano	\$ 7,000.00	3
12	2015 Toyota Rav 4 (16,420 miles)	Yong Lin	\$ 16,000.00	7
13	2015 Toyota Rav 4 (35,558 miles)	Yong Lin	\$ 12,000.00	7
18	2015 Toyota Yaris (55,683 miles)	Yong Lin	\$ 5,750.00	7
19	2014 Toyota Yaris (62,401 miles)	Michael Balanay	<u>\$ 4,750.00</u>	5
Total Gross Proceeds Received			<u>\$ 375,500.00</u>	